



NJDCRP

Defined Contribution Retirement Plan

Your Future in Focus

For Plan Sponsor Use Only

Frequently Asked Questions

Regarding the Defined Contribution Retirement Program (DCRP)

Employer Setup

1. What is the DCRP and how do I find out more information?

You can obtain information regarding the DCRP at <http://www.state.nj.us/treasury/pensions/pension-employers.shtml>

You can also attend an employer webinar. Simply register by visiting <http://www.state.nj.us/treasury/pensions/employer-training.shtml> and scrolling down to the DCRP Enrollment and Processing.

2. I am a new employer contact for the DCRP, how do I contact Prudential?

As a new employer, you can contact Prudential at **1-800-932-0342**. The account number is 316149. Choose Option #1 – NJ Client Support Team or email njplans@prudential.com.

3. How do my employees contact Prudential about their account?

- An employee can contact Prudential at **1-866-NJDCRP1** (1-866-653- 2771)
- They can also visit the website at www.prudential.com/njdcrp

Employees should be encouraged to contact Prudential to actively elect their investments and designate a beneficiary for this account.

(Note: Beneficiary designations completed for Prudential group insurance cannot be used for the DCRP retirement account. There are two separate elections that need to be made. If a designation is not made by the participant for their DCRP retirement, upon the death of the participant the account will be paid out to the estate.)

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4. How can an employee obtain additional information regarding the DCRP?

Webinars are available to employees to learn more about the features of the plan. Please encourage employees to attend a webinar. The webinar schedule is available at <http://www.state.nj.us/treasury/pensions/employer-training.shtml>

Contribution submissions to Prudential

5. How do I submit DCRP contributions to Prudential that I have collected from my Employee's account?

You can first start by calling your NJ Client Support Team at Prudential (**1-800-932-0342**, enter account # 316149, option #1 or email njplans@prudential.com) to get a username and password to the Plan Sponsor Website.

6. What is the website I need to go to in order to submit contributions?

Log into the website <http://sponsorcenter.prudential.com>

7. What do I do if I get locked out of the plan sponsor website and I cannot reset my password by using the instructions online?

You should contact a Prudential representative at **1-800-932-0342**, enter 316149, option #1 or njplans@prudential.com.

Contributions Including Back Deductions

8. Are back deductions required?

Yes. Back deductions are required if the date provided on the certification form received from the State notes a "deduction begin as of date" in the past. Please send an email to the State to make them aware of any participant that you are submitting back deduction to email address: nj.dcrp@treas.nj.gov (Note: For participants that have back deduction for a period of 12 months or greater, Prudential must receive at least 12 months of back deductions for the participant to be considered fully vested.

9. What are the back deductions for DCRP and how do I calculate them?

To calculate the total amount of back deductions you will need to determine the amount of previously paid DCRP eligible wages and multiply these wages by 5.5% for the employee portion and 3% for the employer's portion.

Example:

Back Eligible DCRP Wages \$22,500



Employee Rate 5.5% (\$22,500*.055 =\$ 1,237.50)

Employer Rate 3% (\$22,500*.03 =\$ 675)

Total DCRP deductions = Current DCRP eligible wages 5.5% +Back deduction amount agreed to by the employee and employer (until all back deductions have been collected)

10. What is the Rate of employee contributions and employer contributions for DCRP?

The Current DCRP rate is 5.5% employee and 3% employer deduction, as stated in Fact sheet 79.

Participant Update

11. What do I need to do if a participant is terminated or is no longer eligible for DCRP?

Once all the contributions withheld for DCRP have been submitted to Prudential and deposited into the participant's account, *the employer should* complete the DCRP Eligibility Status Change Verification Form and submit it to the state. A copy of this form can be found at

<http://www.state.nj.us/treasury/pensions/documents/forms/fl0852.pdf>

12. How do I enroll a new employee in the DCRP plan?

All new DCRP enrollments must be entered through the State's EPIC system. The state will issue a certification that will include the "deduction begin as of date". (**Note:** This information is electronically feed over to Prudential. It generally takes about 2 weeks for the information from EPIC to be received and updated on the Prudential system. If after 2 weeks, the participant does not show up under your location, please contact Prudential).

For participants that already have an existing DCRP account, the State must receive the Transfer /Rehire form which can be found at

<http://www.state.nj.us/treasury/pensions/documents/forms/fl0851.pdf>

Forfeitures

13. What is the definition of forfeiture?

"Forfeiture" is the portion of the employer's contributions that is lost by a participant who terminates employment prior to becoming fully vested under the plan's vesting schedule. Pre-tax and rollover contributions made by the employee are 100% vested at all times.

The timing of the forfeiture depends on when the participant is terminated from the DCRP at Prudential. An individual must be participating in the DCRP for one (1) full calendar year to be vested in employer contributions. (**Note:** For participants that have back deduction for a period of 12 months or greater, Prudential must receive at least 12 months of back deductions for the participant to be considered fully vested.)

14. How do I find my specific location's forfeiture balance?



The balance of the forfeiture account can be found on the plan sponsor website. Simply follow these steps:

- Select the “Manage Plan” button
- Then select “Reports”
- Under Reports, select “Census”
- Click on “Customize”
- Then Click “Next”
- Select “SSN” and enter all 9s, customize the date and select “Next”
- Select “Run”

This report will generate and show the balance of your “Forfeiture” account.

15. How can I use my forfeiture account?

In order to use the money in your forfeiture account to offset future employer match contributions, please take the following steps:

- One day prior to you submitting your file, send an email to Prudential.contribution.specialists@prudential.com
- Include the Plan # 316149 and your subplan #
- In this email, please indicate that you would like to use forfeiture money to offset the employer match contributions.
- Then indicate either a specific amount—or that you would like to fund the entire balance.

16. How are forfeited dollars handled?

Non-vested amounts are simply deducted from participants’ accounts at the date Prudential became aware of the participants’ termination and are deposited in a special reserve account not held by any individual participant, but by the plan itself. The amounts deposited into the forfeiture account should be traceable back to each individual participant forfeiting non-vested balances. The accuracy of the calculation of forfeitures depends on accurate vesting information. The forfeited amounts may still continue to be invested in plan asset options or may have a special asset mix assigned by the plan policies.

17. How much may be forfeited?

The amount forfeited is determined at the time of termination. The unvested portion is transferred to the forfeiture account. Forfeited amounts are held by the Plan and can be used to offset future employer contribution requirements.

Reports

18. How do I run a report for all DCRP participant contributions for a specific period of time?

Please follow these steps:

- Log into the sponsor website for DCRP



- Select Manage Plan, Under Performance select Reports, Under the Prudential Template Select Contributions (Participant)
- On the right-hand side select the customize button and add the following optional fields, by clicking on the ">>" to move them to the "My Report Fields" on the right-hand side • Check Date, First Name, Pay Period End Date, Source AND select "Next" AND select "Next" again
- To select the "Reporting Period," click on the down arrow to select custom (this will allow you to modify the reporting period by selecting the blue calendar
- Once you have selected your time period for the report select the "Run" button

You will be able to access the completed report on the Reports page, at the bottom under My Reports.

Other Administrative Items

19. What do I have to do when I find out a participant is deceased?

DCRP retirement account:

You would need to report the death of the participant. Please contact the State's Division of Pension & Benefits at 609-292-7524 or njdcrp@treas.nj.gov

Prudential would also need to be notified of the date of death. Email should be sent to njplans@prudential.com that includes the participant's date of death, last 4 digits of their social security number, full name and contact information for individual handling the claim.

Group Insurance:

You would need to report the death of the participant. Please contact the State's Division of Pension & Benefits at 609-292-7524.

DCRP Insurance

20. Does the DCRP plan offer an insurance option for participants?

DCRP offers employer paid Group Life and Long-Term Disability Insurance. Please refer to Fact Sheet 79 for additional details.

21. Will I receive an invoice?

Invoices will no longer be generated as of 07/01/2018. You will submit premiums along with your contributions to Prudential and Prudential will then send the funds to the State on your behalf. If you make the payment electronically (directly to Prudential), please disregard the manual invoice received.

22. How does the employer pay for this benefit?

Insurance premiums should now be remitted with each payroll along with employer and employer contributions. Premium amounts due should be calculated as follows;

- ✦ Group Life Insurance - .74% of gross wages
- ✦ Long Term Disability - .31% of gross wages



Special Population: DCRP participants over 60 years of age are defaulted to a non-insured status for Group Life Insurance but they are always in an eligible status for Long Term Disability. Participant must take action to prove insurability. If the participant is deemed to be insurable, the Division of Pension & Benefits will send out a new Certification.

23. What do I need to do?

Contributions remitted via the Internet Contributions Center (ICC) on the Plan Sponsor Website:

- ✦ You will not need to do anything. The website will now calculate the premium amounts due when current period wages are entered on the website, similar to the way the employee and employer contributions are currently calculated.
- ✦ If you have an employee who is not eligible, you will have the ability to make the insurance premiums \$0 on the website before you submit the file to Prudential.

Contributions remitted via a file:

- ✦ In order to have the contribution file updated to include the additional sources, please contact your NJ Service Team at 1-800-932-0342. The account number is 316149. Choose Option #1 – NJ Client Support Team or email **njplans@prudential.com**. We will submit a request to have the file updated to include the DCRP insurance sources.
- ✦ If you have an employee who is not eligible, you will have the ability to make the insurance premiums \$0 on the website before you submit the file to Prudential.

Contribution remitted via a paper roster:

- ✦ Please call to find out how you can remit and pay your contributions on line
- ✦ If you have an employee who is not eligible, you will have the ability to make the insurance premiums \$0 on the file before you submit the file to Prudential.

24. Are trailing contributions subject to Insurance Premiums?

Yes. All DCRP eligible wages are subject to both DCRP retirement contributions and Insurance Premiums.

